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93d CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
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DEPARTMENT OF STATE APPROPRIATIONS
AUTHORIZATION ACT OF 1974

JULY 31, 1974.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. HAYS, from the Committee on Foreign Affairs,
submitted the following

R E P O R T

[To accompany H.R. 16168]

The Committee on Foreign Affairs, to whom was referred the bill
(H.R. 16168) to authorize appropriations for the Department of State,
and for other purposes, having considered the same, report favorably
thereon without amendment and recommend that the bill do pass.

COMMITTEE ACTION

On February 20, 1974 the Acting Assistant Secretary of State for
Congressional Relations sent to the Speaker of the House of Representatives
Executive Communication No. 1914 which contained a draft
bill to authorize appropriations for the Department of State for fiscal
year 1975 and for other purposes which was referred to the Committee
on Foreign Affairs. On February 22 the chairman, Hon. Thomas E.
Morgan, referred the communication to the Subcommittee on State
Department Organization and Foreign Operations of which Hon.
Wayne L. Hays is chairman. The subcommittee held a hearing on the
proposed legislation on June 26 during which it received testimony
from Hon. Joseph J. Sisco, Under Secretary for Political Affairs, Hon.
L. Dean Brown, Deputy Under Secretary for Management, and Mr.
Richard W. Murray, Deputy Assistant Secretary for Budget and
Finance. Subsequently the subcommittee considered the draft bill in
executive session, directed that amendments to it be prepared, and
ordered the amended draft measure unanimously reported. On July 30
Representative Hays introduced the amended draft bill as H.R. 16168.
The bill was considered by the committee on July 31 and ordered re-
ported to the House by a voice vote.

PURPOSE OF THE BILL

The principal purpose of H.R. 16168 is to provide an authorization of appropriations for the Department of State for fiscal year 1975. The following table shows the authorizations by major categories together with the appropriations for fiscal year 1973.

	[In thousands]			
	1975			
	1974 appropriation	Executive request	Committee recommendation	Increase or decrease
Section 2(a)(1) - Administration of foreign affairs.....	\$546,015	\$376,135	\$360,785	-\$15,350
Section 2(a)(2) - International organizations and con- ferences.....	232,432	229,604	229,604	-----
Section 2(a)(3) - International commissions.....	12,973	112,407	17,832	-\$4,575
Section 2(a)(4) - Educational exchange.....	57,512	64,914	75,000	+\$0,086
Section 2(a)(5) - Migration and refugee assistance.....	9,779	9,470	9,470	-----
Section 2(b) - Salary increases.....	-----	11,500	11,500	-----
Section 2(c) - Soviet Jewish refugees in Israel.....	36,500	-----	40,000	+\$4,000
Total	695,211	804,030	744,191	-\$9,839

COST ESTIMATES

Pursuant to clause 7 of rule X1II of the House rules, the committee has examined the request submitted by the Executive to carry out the various functions and programs authorized by this bill. After consideration of the request it recommends an authorization for the next fiscal year of \$744,191,000. The committee believes that with careful management and barring unforeseen contingencies the authorization for the Department of State should show no more than a nominal increase over each of the next 5 years.

SECTION-BY-SECTION ANALYSIS

Section I

This section cites this act as the Department of State Appropriations Authorization Act of 1974.

Section 2(a)

This subsection authorizes appropriations totaling \$692,691,000 for the Department of State for the fiscal year 1975, to carry out the authorities, functions, duties, and responsibilities in the conduct of foreign affairs, including trade negotiations. The authorization is in accordance with the provisions of section 407(b) of the Foreign Assistance Act of 1971.

Paragraph (1) authorizes an appropriation of \$360,785,000 under the heading "Administration of Foreign Affairs." This category provides the necessary funds for the salaries, expenses, and allowances of the officers and employees of the Department, both in the United States and abroad. It covers the costs in the next fiscal year of 4,957 domestic employees, 3,689 overseas American employees, and 5,283 foreign nationals—a total of 13,929 positions. The employees stationed abroad provide U.S. representation in foreign countries through 129 Embassies, 1 liaison office, 76 consulates general, 50 consulates, and 1 Embassy branch office.

At the request of the subcommittee the Department supplied charts showing the personnel strength of U.S. civilian agencies abroad, exclusive of the Department of Defense and other elements, the public disclosure of which is prohibited. As of December 31, 1973, there were 18,958 U.S. nationals serving overseas of whom 5,435 (28.6 percent) were under the Department of State. Of this latter number only 3,366 (17.76 percent) were direct hire employees of the Department. Foreign nationals employed by all U.S. Government agencies totaled 28,328 of whom 4,997 (17.6 percent) were hired directly by the Department.

The authorization provided by this paragraph includes funds for executive direction and policy formulation, the conduct of diplomatic and consular relations with foreign countries, the conduct of diplomatic relations with international organizations, domestic public information activities, central program services, and administrative and staff activities. It also authorizes funds for representation allowances abroad, emergencies in the Diplomatic and Consular Service, and payments to the Foreign Service retirement and disability fund for the unfunded liability created by new statutes which liberalize benefits or increase salaries on which benefits are computed.

The Executive request for this item was \$376,135,000. The committee made adjustments in this sum that resulted in a reduction of \$15,350,000. The amount of \$15,600,000 was disallowed for a payment to the Foreign Service retirement and disability fund pursuant to the provisions of section 5 of this bill. The committee added, however, \$250,000 for the specific purpose of providing protection for the U.S. Ambassador to the United Nations and other key personnel assigned to that mission. There is increased concern for the personal safety of these officials.

Paragraph (2) authorizes an appropriation of \$229,604,000 to defray the assessments of the United States in international organizations and to pay the costs of U.S. participation in international conferences. Included under this heading is the U.S. share of the cost of the United Nations, its 8 specialized agencies, the International Atomic Energy Agency, 6 inter-American organizations, including the Organization of American States, 6 regional organizations, including NATO and SEATO, and 15 other international organizations. It also covers the costs of maintaining the staffs of seven missions which represent the United States at the headquarters of certain international organizations in which the United States has membership. It also provides for the coordination of policy guidance and for administrative support for U.S. participation in certain scheduled or planned multilateral intergovernmental conferences. U.S. membership in each of these organizations is maintained under the authority of treaties, conventions, or specific acts of Congress. In addition, this item includes funds to assist in meeting expenses of U.S. congressional delegations in four interparliamentary organizations.

Paragraph (3) authorizes appropriations of \$17,832,000 for international commissions that deal with U.S. boundaries with Mexico and with Canada. The funds will permit the United States to fulfill its treaty and other international obligations with Mexico, including the expenses and operations of the International Boundary and Water

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Commission, United States and Mexico, and construction activities on the United States-Mexican border. This paragraph also includes the authorization of funds for the American sections, international commissions, in accordance with existing treaties with Canada for the operations of the International Boundary Commission and the International Joint Commission. Appropriations made under this authorization also cover U.S. obligations in connection with participation in 10 international fisheries commissions pursuant to treaties or conventions, and implementing acts of Congress.

The Executive request for this item was \$112,407,000. Of this sum \$91,575,000 was for the construction of various works along the lower Colorado River to reduce the salinity content of water that flowed into Mexico. Such construction was pursuant to agreements entered into with Mexico. Since separate legislation has been initiated to authorize this project, the committee deleted it from this bill.

Paragraph (4) authorizes an appropriation of \$75 million under the heading "Educational Exchange." This will enable the Secretary of State to carry out his functions under the provisions of the Mutual Educational and Cultural Exchange Act of 1961. The latter act provides authority for educational and cultural programs of the Department, including the exchange of persons, aid to American-sponsored schools abroad, and cultural presentations. The exchange program financed by the Government is augmented by scholarships and housing assistance provided by American universities to foreign graduate students who are selected under the jointly administered programs of the Department and other governments.

This paragraph includes the authorization of funds to permit the Secretary of State to support the East-West Center associated with the University of Hawaii. The Center provides grants, fellowships, and scholarships to qualified persons from Asia and the Pacific and to Americans who work jointly on problems of mutual concern.

The Executive requested \$64,414,000 for this item. The subcommittee and the committee are of the opinion that this is one program that should be strengthened and expanded. For this reason they recommend an authorization of \$75 million. The role of the government in exchange programs is principally that of a catalyst. Private American nonprofit organizations and individual volunteers play key roles. The efforts of the latter group are directed toward assisting those who come to the United States to study, whether government-sponsored or not, to enjoy a personally rewarding and enlightening experience. Throughout the United States, thousands of Americans organized in citizen groups, volunteer organizations, professional associations and universities participate with traditional American openness and generosity.

Paragraph (5) authorizes an appropriation of \$9,470,000 for migration and refugee assistance. This will enable the Secretary of State to provide assistance to migrants and refugees, both on a multilateral basis through contributions to organizations, such as the Intergovernmental Committee for European Migration and the United Nations High Commissioner for Refugees, and on a unilateral basis through assistance to refugees designated by the President, as authorized by law. It also includes an authorization of funds for a contribution to the

International Committee of the Red Cross pursuant to existing legislation.

Section 2(b)

This subsection authorizes an appropriation not to exceed \$11,500,000 to cover salaries and related costs resulting from any pay raise that may occur during fiscal year 1975. The Executive had proposed an open-ended authorization for this purpose but the committee insisted upon the inclusion of a specific sum.

Section 2(c)

This subsection authorizes an appropriation of \$40 million for fiscal year 1975 to furnish assistance to Israel for the resettlement of Soviet Jews in that country. In the 2 previous fiscal years Congress has appropriated a total of \$86,500,000 for this purpose. That sum has assisted Israel in resettling within its borders 76,000 Soviet Jews while an additional 3,200 have been assisted in settling in the United States. The most recent estimate is that an additional 130,000 to 150,000 Jews wish to leave the Soviet Union of whom some 10 to 20 percent want to come to the United States. While the law authorizes the use of this special sum to assist in resettling them in Israel or "another suitable country," the clear intent of the legislation is to make funds available to Israel to meet the extraordinary burdens placed upon its economy by those desiring to resettle there. Only under the most limited circumstances should any of the money be used for resettlement purposes outside of Israel.

Section 2(d)

This subsection permits the sums appropriated under subsections (a) and (b) of this section to remain available until expended.

Section 3

The committee has been concerned about increased terrorist activities against U.S. personnel serving abroad. Since January 1, 1973, there have been five deaths resulting from such attacks or from accidents incurred in line of duty. While survivors are eligible for compensation either under the Foreign Service Act or the Employees Compensation Act incorporated in title 5 of the United States Code (not both), the committee was of the opinion that a modest ex gratia payment of 1 year's salary was a small token of expression by the Government for those tragic deaths.

The salaries of the five individuals who died since the effective date total about \$112,000. The payments authorized by this section would come from the salaries and expense account or its equivalent of the employing agencies; i.e., Department of State, United States Information Service, or the Agency for International Development.

Rather than restate the numerous provisions of law covering compensation in case of death on account of work injuries found in title 5, the committee incorporated by reference those that determine eligibility for survivor benefits. It specifically excluded deaths arising from disease proximately caused by employment.

Since the payment is in the nature of a gift to dependent survivors, the committee limited such payment to those who are immediately dependent upon the individual who died.

Section 4

Under existing law the U.S. share of the budget of the United Nations and any of its affiliated agencies may not exceed 25 percent. This limitation became effective in calendar year 1974. The Executive has obtained a reduction in the U.S. assessment to the United Nations itself, to the Food and Agriculture Organization, and to the International Center for the Study of the Preservation and Restoration of Cultural Property. It has asked, however, for a 1-year extension in reducing the U.S. contribution to three other agencies: (1) the International Civil Aviation Organization (ICAO); (2) the United Nations Educational, Scientific, and Cultural Organization (UNESCO); and (3) the World Health Organization (WHO). Each of these organizations is on a 3-year budget cycle that will not be completed before the end of this calendar year. The committee believes it reasonable to provide an extension of 1 year for bringing the U.S. assessment in these agencies down to 25 percent.

Section 5

This section complements the reduction of \$15,600,000 made in section 2(a)(1) of the bill. Under existing law any statute which authorizes an extension of the benefits of the Foreign Service retirement system to new groups of employees is deemed to authorize appropriations in 30 equal annual payments to the Foreign Service retirement fund in order to finance the unfunded liability created by that statute. Last year Congress transferred the Foreign Service personnel of the Agency for International Development (AID) from the Civil Service retirement system to the Foreign Service retirement system. The resulting increase in the unfunded liability of the latter must be met by 30 annual payments of \$15,600,000 each. Due to the lateness in the fiscal year the first such payment to cover fiscal year 1974 was included in the State Department supplemental authorization (Public Law 93-312) enacted in the closing weeks of that fiscal year. At the time the administration was put on notice that future installments should be included in the foreign assistance legislation. The committee is of the opinion that the payments arise as a result of benefits conferred upon AID personnel and therefore properly constitute a charge against that Agency. This section prohibits the use of any funds appropriated under this act to make such payments.

The dependent survivors to whom payment may be made under this section include the widow or widower, child or children, and dependent parents. This section provides that the definition of "widow", "widower", "child", and "parent" shall, for purposes of payments under this section, be the same definition provided by section 8101 of title 5, United States Code, which section is set forth in pertinent part as follows:

SEC. 8101. DEFINITIONS

For the purpose of this subchapter—

* * * * *

(6) "widow" means the wife living with or dependent for support on the decedent at the time of his death, or living apart for reasonable cause or because of his desertion;

(7) "parent" includes stepparents and parents by adoption;

* * * * *

(9) "child" means one who at the time of the death of the employee is under 18 years of age or over that age and incapable of self-support, and includes stepchildren, adopted children, and posthumous children, but does not include married children;

* * * * *

(11) "widower" means one who, because of physical or mental disability, was wholly dependent for support on the employee at the time of her death;

* * * * *

Under the provisions of section 8133 of title 5, United States Code, for purposes of determining eligibility to elect survivor benefits, a student beyond the high school level is deemed to be a "child", even if he is over 18 years of age, for so long as he remains a student or until he marries or until he finishes his last enrollment period of education during which his 23d birthday occurs. The committee intends the same interpretation of the term "child" to be applied in the administration of the death gratuity payments provided under the amendment made by this section.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italics, existing law in which no change is proposed is shown in roman):

ACT OF AUGUST 1, 1956

AN ACT To provide certain basic authority for the Department of State

* * * * *

SEC. 14. (a) *Subject to the provisions of this section and under such regulations as the Secretary of State may prescribe, the Secretary is authorized to provide for payment of a gratuity to the surviving dependents of any Foreign Service employee who dies as a result of injuries sustained in the performance of duty outside the United States in an amount equal to one year's salary at the time of death. Appropriations for this purpose are authorized to be made to the account for salaries and expenses of the employing agency. Any death gratuity payment made under this section shall be held to have been a gift and shall be in addition to any other benefit payable from any source.*

(b) *A death gratuity payment shall be made under this section only if the survivor entitled to payment under subsection (c) is entitled to elect monthly compensation under section 8133 of title 5, United States Code, because the death resulted from an injury (excluding a disease proximately caused by the employment) sustained in the performance of duty, without regard to whether such survivor elects to waive compensation under such section 8133.*

(c) A death gratuity payment under this section shall be made as follows:

- (1) First, to the widow or widower.
- (2) Second, to the child, or children in equal shares, if there is no widow or widower.
- (3) Third, to the dependent parent, or dependent parents in equal shares, if there is no widow, widower, or child.

If there is no survivor entitled to payment under this subsection, no payment shall be made.

(d) As used in this section--

(1) the term "Foreign Service employee" means a chief of mission, Foreign Service officer, Foreign Service information officer, Foreign Service Reserve officer of limited or unlimited tenure, or a Foreign Service staff officer or employee;

(2) each of the terms "widow", "widower", "child", and "parent" shall have the same meaning given each such term by section 8101 of title 5, United States Code.

(3) the term "United States" means the several States and the District of Columbia.

(e) The provisions of this section shall apply with respect to deaths occurring on and after January 1, 1973.

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